



# Credit Union Department

## \* \* NEWSLETTER \* \*

No. 11-02

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### **RESULTS OF CREDIT UNION COMMISSION MEETING**

The Credit Union Commission held a regular public meeting on Friday, November 15, 2002. At the meeting the Commission:

- ❖ Adopted amendments to 7 TAC §91.4001 as previously published in the *Texas Register* (authority to conduct electronic operations);
- ❖ Adopted amendments to 7 TAC §91.4002 as previously published in the *Texas Register* (notice requirement; security review);
- ❖ Readopted without changes 7 TAC §93.101 (scope, definitions, and severability); 7 TAC §93.202 (computation of time); 7 TAC §93.203 (ex parte communications); 7 TAC §93.205 (notice of hearing); 7 TAC §93.206 (default); 7 TAC §93.207 (service); 7 TAC §93.208 (delegation of authority); 7 TAC §93.209 (subpoenas); 7 TAC §93.210 (protective orders and motions to compel); 7 TAC §93.211 (administrative support); 7 TAC §93.304 (presiding officer or body); 7 TAC §93.302 (referral to ADR); 7 TAC §93.501 (request for hearing to appeal order of conservation); and 7 TAC §93.605 (final decisions and appeals)
- ❖ Approved for publication and comment in the *Texas Register* the proposed amendments to 7 TAC §93.201 concerning party status; 7 TAC §93.212 concerning proposal for decision; 7 TAC §93.301 concerning finality and request for SOAH hearing; 7 TAC §93.303 concerning hearings of applications to incorporate, amend bylaws, or merge or consolidate; 7 TAC §93.304 concerning appeals of applications for certificates of authority; 7 TAC §93.305 concerning appeals of all other applications for which no specific procedure is provided by this title; 7 TAC §93.401 concerning appeals of cease and desist orders and orders of removal; 7 TAC §93.402 concerning stays; 7 TAC §93.601 concerning motion to appeal to the commission; 7 TAC §93.602 concerning decision by the commission; 7 TAC §93.603 concerning oral arguments before the commission; 7 TAC §93.604 concerning motion for reconsideration; and 7 TAC §93.213 concerning appearances and representation (**see attached**);
- ❖ Approved for publication and comment in the *Texas Register* the proposed amendments to 7 TAC §91.1004 concerning conversion of charter (**see attached**);
- ❖ Approved for publication and comment in the *Texas Register* the proposed new 7 TAC §93.213 concerning appearances and representation (**see attached**); and
- ❖ Readopted the Department's Equal Employment Opportunity Policy.

## **COMMISSION MEMBER HONORED**

The Department is proud to report that Garold R. Base, Chairman of the Texas Credit Union Commission, and president of Community Credit Union in Plano Texas, was recently presented with the CUES Executive of the Year Award. Mr. Base was recognized for his exceptional leadership skills, commitment to professional development, contribution to the success of Community Credit Union and active participation in civic and community affairs.

## **FUTURE COMMISSION MEETING DATES**

The Credit Union Commission has tentatively established its meeting dates for calendar year 2003. The proposed dates are:

- ☐ **Friday, March 21, 2003**
- ☐ **Friday, July 18, 2003**
- ☐ **Friday, November 21, 2003**

## **APPLICATIONS APPROVED**

Applications approved since October 31, 2002 include:

### **Credit Union**

### **Changes or Groups Added**

Articles of Incorporation Change(s) Approved:

**Southwest Resource Credit Union** (Baytown)

**See Newsletter No. 10-02**

## **APPLICATIONS RECEIVED**

The following applications were received and published in the November 29, 2002 issue of the *Texas Register*:

Field of Membership Expansion(s):

**GTX Credit Union** (Houston) – To permit members of the Pipe Fitters Local Union 211, located at 2535 Galveston Road, Houston, Texas, to be eligible for membership in the credit union.

**Medical Community Credit Union** (Odessa) – To permit persons who live, work or attend school in the following Texas counties: 1) Brewster, 2) Dawson, 3) Jeff Davis, 4) Presidio, 5) Ward, and 6) Winkler, to be eligible for membership in the credit union.

Comments or a request for a meeting by any interested party relating to an application must be submitted in writing within 30 days from the date of this publication. Any written comments must provide all information that the interested party wishes the Department to consider in evaluating the application. All information received will be weighed during consideration of the merits of an application. Comments or a request for a meeting should be addressed to the Texas Credit Union Department, 914 East Anderson Lane, Austin, Texas 78752-1699.

## **APPLICATIONS RECEIVED (Continued)**

### **Merger(s) or Consolidation(s):**

An application was received from **Top O'Tec Credit Union** (Amarillo) seeking approval to merge with **Access Credit Union** (Amarillo) with the latter being the surviving credit union.

An application was received from **Terrell Community Credit Union** (Terrell) seeking approval to merge with **Lone Star Credit Union** (Dallas) with the latter being the surviving credit union.

### **Article of Incorporation(s):**

An application for a new charter was received for **Light Commerce Credit Union**, Houston, Texas. The proposed new credit union will serve the congregation of New Light Church World Outreach and Worship Centers Incorporated (New Light Church), its members, employees, affiliate organizations and pastors, and any relative by blood or marriage; Light Christian Academy, its employees, students, and any relative by blood or marriage; Light Christian Academy Early Childhood and Development Center, its employees, students, and any relative by blood or marriage; New Vision Community Development, its employees, tenants and any relative by blood or marriage.

## **CREDIT UNION MEMBER COMPLAINTS FILED**

During the past fiscal year, the Department processed 51 complaints from credit union members involving 32 credit unions. The complaints included issues such as cross-collateralization clauses in loan contracts, addition of single-interest insurance premiums to loan balances, service fees, disputed cash deposits, and a myriad of others. For every written complaint that is submitted, numerous calls from disgruntled members are either explained satisfactorily by Department staff, or the complainant does not follow-up with a formal written complaint. Although some of the complaint issues are the member's misinterpretation of a loan contract, account agreement, or other agreement, an overwhelming number of complaints are about customer service issues and credit union policies. Department staff evaluates a member's complaint and makes a judgment before recommending that the member submit a formal written complaint. Although we are receiving their version of the incident, we inform them that the credit union is likely acting in accordance with its policies and procedures, or on the advice of their attorney. The Department appreciates the promptness with which all credit unions respond to written member complaints.

## **NEWSLETTER NOTICE**

As required by statute, each agency must obtain an annual confirmation from individuals receiving monthly publications at no charge. Specifically, the law requires that a notice be placed in three consecutive issues of the publication, and that anyone desiring to continue to receive the publication must so indicate in writing. In order to simplify the process, we have only included a return form in the newsletter of those persons who did not respond to our previous notice. **If a form is enclosed and you desire to continue to receive the Department's Newsletter, please submit the form to this office as soon as possible.**

Again, if you responded to last month's notice, you need not take any further action.

## **Publishing Notice of Applications in the Texas Register**

([www.sos.state.tx.us](http://www.sos.state.tx.us))

In order to meet the submission deadlines for the applicable issues of the *Texas Register*, it is necessary for the Department to establish the following schedule. Because of the *Texas Register* printing schedules, completed applications received after the deadline for the month cannot be published until the following month.

<b>For an Application To be Published</b>	<b>Deadline for Receipt of An Application</b>	<b>Comment Period Will Conclude on</b>
December 2002	Friday, December 13	January 30
January 2003	Friday, January 10	March 2
February 2003	Friday, February 14	March 30
March 2003	Friday, March 14	April 30

## **FILING OF IRS FORM 990, ORGANIZATIONS EXEMPT FORM INCOME TAX**

Section 15.412 of the Texas Finance Code authorizes the Department to file a consolidated Form 990, Group Return with the Internal Revenue Service on behalf of all credit unions under the Department's jurisdiction. The Department was authorized by the Internal Revenue Service on June 18, 1976 to file a consolidated group return under Group Exemption Letter #2742.

Included with the mailing of the year-end call reports will be an authorization form to be completed by the credit union and returned to this office with the call report information and diskette. The credit union will certify that the information submitted is true and correct and will authorize the Department to include the credit union's information in the group return. **To ensure that the Department files the Form 990 with the Internal Revenue Service in a timely manner, it is extremely important that the Authorization Form be returned with your call report data in January.**

Please note that credit unions having unrelated business income of \$1,000 or more are also individually responsible for filing an IRS Form 990-T.

## **HOLIDAY SCHEDULE FOR TCUD**

The Department's office will be closed on **December 24-26** in observance of Christmas and **January 1** in observance of New Year.



*All of us join in wishing you a wonderful Holiday Season with the very best of everything in the coming new year!*

